

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

----- In the Matter of ----- )  
 )  
PUBLIC UTILITIES COMMISSION )  
 )  
Instituting a Proceeding on )  
Communications, Including an )  
Investigation of the )  
Communications Infrastructure )  
of the State of Hawaii. )  
\_\_\_\_\_ )

DOCKET NO. 7702

ORDER NO. 19451

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DIV. OF CONSUMER ADVOCACY  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
STATE OF HAWAII

Filed July 3, 2002  
At 2:45 o'clock P.M.

Karen Higashi  
Chief Clerk of the Commission

ATTEST: A True Copy  
KAREN HIGASHI  
Chief Clerk, Public Utilities  
Commission, State of Hawaii.

K. Higashi

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

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PUBLIC UTILITIES COMMISSION )	Docket No. 7702
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_____ )	

ORDER

I.

By this order, the commission addresses the unresolved intrastate collocation tariff issues, amendments to VERIZON HAWAII INC.'S (Verizon Hawaii) P.U.C. Tariff No. 19 as proposed by Verizon Hawaii and various other parties to this docket.

On November 22, 2000, pursuant to the November 14, 2000 Parties' Stipulation in Partial Settlement of Various Phase III Issues (Stipulation), Verizon Hawaii filed its revised collocation tariff (revised tariff).<sup>1</sup> On December 13, 2000, TIME WARNER TELECOM OF HAWAII, L.P., dba OCEANIC COMMUNICATIONS (Oceanic) on behalf of AT&T COMMUNICATIONS OF HAWAII, INC. (AT&T); the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY (Consumer Advocate); and

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<sup>1</sup>By Order No. 18230, filed on December 6, 2000, as amended by Order No. 18236, filed on December 8, 2000, the commission, among other things, approved the Stipulation.

Oceanic (collectively, Commenting Parties) filed comments on the revised tariff (Comments). On December 28, 2000, Verizon Hawaii filed its reply to the Comments (Reply).

On September 28 and October 10, 2001, Verizon Hawaii filed Transmittal Nos. 01-56 and 01-59, respectively.<sup>2</sup> Transmittal No. 01-56 was filed to comply with certain Federal Communications Commission (FCC) requirements of *In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability*, Fourth Report and Order, FCC 01-204 in CC Docket No. 98-147, released August 8, 2001 (*Advance Services Order II or ASO II*), and Transmittal No. 01-59 was filed in accordance with the Stipulation, incorporating the rates, terms, and conditions for the provision of virtual collocation.<sup>3</sup>

The requested effective dates for Transmittal Nos. 01-56 and 01-59 were October 29 and November 9, 2001, respectively. With regards to Transmittal No. 01-56, on October 15, 2001, Oceanic timely filed its protest regarding the transmittal (Protest), and then on October 22, 2001, Verizon Hawaii filed its reply to the Protest

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<sup>2</sup>On October 1 and 10, 2001, Verizon Hawaii filed confidential cost supports for Transmittal Nos. 01-56 and 01-59, respectively.

<sup>3</sup>Transmittal No. 01-59 also incorporated certain uncontroversial proposals offered by Verizon Hawaii and/or the Commenting Parties with regards to the revised tariff.

(Transmittal Reply).<sup>4</sup> No party to this docket filed a protest or comments with regards to Transmittal No. 01-59.

By Order No. 18976, filed on October 26, 2001, the commission suspended the operations of Transmittal Nos. 01-56 and 01-59 until further order of the commission.<sup>5</sup>

## II.

### A. Revised Tariff and Transmittal No. 01-59

In the Comments and Reply, the respective parties categorized the revised tariff issues into two parts, i.e., issues addressed in the Stipulation (Part I) and issues not addressed in the Stipulation (Part II). In its Reply, Verizon Hawaii expressed its belief that the Commenting Parties violated the spirit of the Stipulation by expanding the issues for commission consideration and requested that the commission consider the issues of Part II to be resolved per the Stipulation.<sup>6</sup> Later, however, in Transmittal No. 01-59, Verizon Hawaii incorporated the proposals offered in the Comments and Reply of general agreement, including certain

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<sup>4</sup>On October 26, 2001, AT&T filed a letter concurring with Oceanic's statements.

<sup>5</sup>The commission based its decision on, among other things, the approaching effective dates of the transmittals and upon the recognition that Transmittal No. 01-59 reflected certain tariff revisions being proposed with regards to Verizon Hawaii's November 22, 2000 filing, which were pending commission review and disposition.

<sup>6</sup>While expressing its general objections to the issues of Part II, Verizon Hawaii set forth its position on each Part II matter.

Part II issues. Additionally, we find that pursuant to Section I.C.7 of the Stipulation, the Commenting Parties are allowed to provide comments on other unresolved tariff matters.<sup>7</sup> Thus, our review of the revised tariff encompasses issues of both parts.

The parties<sup>8</sup> to phase III of this docket explicitly agreed that the commission could render its decision on the revised tariff on the basis of the Comments and Reply.<sup>9</sup> However, due to Transmittal No. 01-59, which incorporates certain proposals offered in the Comments and Reply, we find that our review of the revised tariff necessitates the concurrent review of Transmittal No. 01-59.

1. Matters of General and/or Implicit Agreement

Pursuant to the Stipulation, in Transmittal No. 01-59, Verizon Hawaii proposed its terms, conditions, and charges (both non-recurring and monthly) for the provision of virtual collocation, set forth as Sections 1.XII and 1.XVI of the

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<sup>7</sup>Section I.C.7 of the Stipulation states the following:

Other unresolved tariff matters. Any other unresolved matter relating to Verizon Hawaii's New Physical Tariff not addressed in this Stipulation may be addressed in interested Parties' respective comments or statements of position regarding the New Physical Tariff. (Stipulation at page 12.)

<sup>8</sup>The parties to this docket are: Verizon Hawaii; AT&T; the Consumer Advocate; Oceanic; the UNITED STATES DEPARTMENT OF DEFENSE AND ALL OTHER FEDERAL EXECUTIVE AGENCIES; SPRINT COMMUNICATIONS COMPANY, L.P.; and PACIFIC LIGHTNET, INC.

<sup>9</sup>Stipulation at 12.

proposed tariff. Additionally, in this filing, Verizon Hawaii incorporated certain matters of general agreement with regards to the revised tariff, as proposed in the Comments and Reply. We reiterate that no party to this docket filed a protest or comments with regards to Transmittal No. 01-59, thus, providing, among other things, implicit agreement with the tariff transmittal incorporations.

Based on our review, the commission determines that the following sections of Transmittal No. 01-59 incorporating certain matters of general and/or implicit agreement, based on the filed Comments and Reply as applicable, are reasonable:

(a) *Section 1.IV.A (2<sup>nd</sup> Revised Sheet 13)* - The insertion of the words "Caged or Cageless" in place of the words "Caged and Cageless" in the first paragraph of the provision.

(b) *Section 1.V.A (2<sup>nd</sup> Revised Sheet 28)* - The word change triggering certain requirements, including a tour of the premises in question, if Verizon Hawaii denies a collocation request for technical reasons.<sup>10</sup>

(c) *Section 1.V.D (2<sup>nd</sup> Revised Sheet 30)* - The second sentence of the first paragraph amended to read as follows: "[t]he Company and/or its affiliates may retain and reserve a

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<sup>10</sup>We note that Verizon Hawaii did not incorporate the Commenting Parties' word change proposal regarding the posting of space availability on its website. The Comments did not specifically address this issue as it did for the word change proposal triggering tours of Verizon Hawaii's premises upon a collocation request denial. Concluding that the Commenting Parties did not provide sufficient support for the requested change, coupled with the fact that no protests were filed regarding Transmittal No. 01-59, we find good cause to disregard this aspect of the Comments.

limited amount of vacant floor space for its/their own specific future uses on terms no more favorable than applicable to other CLECs [competitive local exchange carriers] seeking to reserve collocation space for their future use."

(d) *Section 1.V.A.1 (2<sup>nd</sup> Revised Sheet 28)* - The insertion of the second sentence, to read: "[t]he information the Company shall be required to submit shall be consistent with any requirements specified in applicable FCC rules."

(e) *Section 1.V.C (2<sup>nd</sup> Revised Sheet 30)* - The amendment of the first sentence to include the phrase ", which approval shall not be unreasonably withheld."

(f) *Section 1.X.A (2<sup>nd</sup> Revised Sheet 38)* - The inclusion of the following to the first paragraph: "[f]ailure of the CLEC to make payments when due on bills not in dispute may result in termination of service as provided in the collector's interconnection agreement."

(g) *Section 1.II.G (2<sup>nd</sup> Revised Sheet 5) and Section XIII (Original Sheets 39.8 to 39.13)* - Setting forth the terms and conditions for microwave collocation.

(h) *Section 1.VII.H (1<sup>st</sup> Revised Sheet 36A)* - Setting forth the terms and conditions for self-insurance.

(i) *Section 1.I.E (1<sup>st</sup> Revised Sheet 1A)* - Explicitly setting forth that "[n]othing contained in this tariff shall prohibit a CLEC or the Company from exercising, at any time, its rights under the Telecommunications Act of 1996 ("Act"), including but not limited to, Section 252 of the Act."

Aside from the incorporation of the matters of general/implicit agreement, as set forth above, Verizon Hawaii incorporated certain other revisions to the revised tariff addressing various requests and for clarification purposes (collectively, clarification revisions). Upon review, the various clarification revisions appear to be reasonable. Additionally, based on our review of the cost support filed in conjunction with Transmittal No. 01-59, the proposed rates, terms, and conditions for virtual collocation also appear reasonable. Thus, we conclude that Transmittal No. 01-59 should be approved.

## 2. Matters of Disagreement

(a) *Provision of DC Power and Backup DC Power to Adjacent On-Site Collocation.* The Commenting Parties point out that the revised tariff does not include the provision of direct current (DC) power for adjacent on-site collocation arrangements. Arguing that DC power, including backup DC power, is essential for adjacent on-site collocation, the Commenting Parties state that it must be provided by Verizon Hawaii. Further, the Commenting Parties argue that Verizon Hawaii's failure to offer DC power for adjacent on-site collocation is in violation of the FCC's requirements set forth in *In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability*, First Report and Order and Further Notice of Proposed Rulemaking, FCC 99-48 in CC Docket No. 98-147, released March 31, 1999 (*Advanced Services Order I* or *ASO I*).



The Commenting Parties contend that while telecommunications equipment run on DC power, electric utilities in the United States generally provide alternating current (AC) power. Thus, AC power provided to central offices must be converted to DC power to run modern telecommunications equipment. Among other things, the Commenting Parties maintain that adjacent on-site collocation arrangements do not include sufficient space to house the equipment needed to convert AC power to DC power. They, thus, contend that Verizon Hawaii's requirement that adjacent on-site collocators replicate AC/DC power conversion and backup capabilities in the collocation space is inefficient, infeasible, and renders Verizon Hawaii's offering of adjacent on-site collocation "virtually useless". Further, the Commenting Parties recommend that the commission adopt the rates for the provision of DC power for adjacent on-site collocation as set forth in AT&T's Collocation Cost Model (CCM) proposed in phase III of this docket.

In its Reply, Verizon Hawaii states that although the FCC in *ASO I* requires it to provide adjacent on-site collocation, the FCC requirement allows incumbents to consider safety requirements. Arguing that extending DC power beyond the central office walls potentially exposes Verizon Hawaii's network to serious harm from foreign voltage, AC power, and lightning, it maintains that its revised tariff is consistent with the FCC's position, and thus, opposes the Commenting Parties' recommendation for the provisioning of DC power for adjacent on-site collocation arrangements. Among other things, it

explicitly also argues that ASO I does not require Verizon Hawaii to provide DC power to adjacent on-site collocation areas. Verizon Hawaii opines that the Commenting Parties have misinterpreted the federal law's nondiscriminatory requirement. In its line of reasoning, Verizon Hawaii interprets the requirement for provisioning power to adjacent on-site collocation to mean that Verizon Hawaii should provision power to a collocator in the same manner as its does for itself.

Furthermore, Verizon Hawaii takes issues with a number of other matters and specifically states that the Commenting Parties' request is based on inaccurate assumptions. Among other things, it contends that the Commenting Parties' claim that there is insufficient space for equipment to convert AC power to DC power in adjacent on-site collocation arrangements is incorrect. Verizon Hawaii claims that the collocator's own willingness to build space, along with zoning and other constraints, is the collocator's "only" limitation for such equipment. If the commission determines that Verizon Hawaii should be required to offer adjacent on-site collocation with DC power, Verizon Hawaii insists that the commission should not adopt the prices set forth in AT&T's CCM. Verizon Hawaii provides a host of reasons against adopting AT&T's CCM rates.<sup>11</sup> For instance, it argues that the costs for this form of collocation with the provision of DC power is unknown and that it

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<sup>11</sup>Reply at page 6.

can only accurately determine the cost of delivering DC power once the distance from the central office to the hut is known.

Based on our review of the arguments proffered, the *ASO I*, and other applicable matters with regards to this issue, we find it reasonable to require Verizon Hawaii to amend its adjacent on-site collocation offering to include the provision of DC power and backup DC power. Although the FCC allows the state commissions to address the issue on the viability of adjacent on-site collocation, due to zoning and other state and local regulations, the FCC in *ASO I* specifically states, that an incumbent local exchange carrier (ILEC), generally, must permit competitors to construct and otherwise procure adjacent on-site collocation arrangements, limited only by reasonable safety and maintenance requirements.<sup>12</sup> While we note Verizon Hawaii's concerns about the possible exposure of its network from foreign voltages, among other things, contemplated by extending DC power beyond its central office walls, we are not swayed by its arguments since we reason that such concerns will always be an issue with regards to any provision of arrangements provided outside of its central office. Additionally, similar concerns must have been raised during the FCC's deliberations. The FCC in *ASO I* clearly contemplates that usable power is to be provided to competitors who utilize adjacent on-site collocation arrangements.<sup>13</sup> We are also confident that Verizon Hawaii will be

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<sup>12</sup>*ASO I* at ¶44.

<sup>13</sup>*Ibid.*

able to provide DC power and backup DC power to adjacent on-site collocation arrangements with some form of safety valve to lessen network safety concerns.

At this time, however, we are not able to adopt rates for the provisioning of DC power and backup DC power for adjacent on-site collocation arrangements. The Commenting Parties' recommendation to adopt the rates presented in AT&T's CCM appears to be unreasonable in light of, among other things, the concerns raised by Verizon Hawaii. Verizon Hawaii's contention that the only way to accurately determine the cost of provisioning DC power and backup DC power is to measure the distance from the central office to the hut appears reasonable. Also, we note that the parties stipulated to accept Verizon Hawaii's physical collocation rates subject to certain conditions and Verizon Hawaii's physical collocation terms and conditions with certain modifications. Thus, adoption of the rates prescribed in AT&T's CCM would be inconsistent with the Stipulation. Therefore, we shall require Verizon Hawaii to initiate informal discussions with interested parties to determine the appropriate rates to be charged for the provision of DC power and backup DC power for adjacent on-site collocation arrangements. Within 30 days from the date of this order, Verizon Hawaii and interested parties shall submit stipulated rates with regards to the provisioning of DC power and backup DC power for adjacent on-site collocation arrangements. If Verizon Hawaii and interested parties are unable to stipulate to such an agreement, then they each shall provide proposed rates for the provisioning

of DC power and backup DC power for this type of collocation arrangement, along with detailed justifications for their respective proposals.

In sum, we conclude that Verizon Hawaii should be required to provide DC power and backup DC power for adjacent on-site collocation arrangements. Rates for the provisioning of DC power and backup DC power for adjacent on-site collocation arrangements, unless otherwise ordered, shall be determined in the manner set forth above.

(b) *Collocation Services Packet*. With regards to the Collocation Services Packet (CSP), described in Section 1.III.A.1 (1<sup>st</sup> Revised Sheet 6) of the revised tariff to contain "general information and requirements, including a list of engineering and technical specifications, fire, safety, security policies and procedures, and an application form", the Commenting Parties contend that they are unaware of any restrictions on Verizon Hawaii with regards to the contents, or amendments to, its CSP. The Commenting Parties recommend that all requirements on competitors be expressly specified in the revised tariff so that competitors have procedures to object if unacceptable or burdensome standards are established.

Verizon Hawaii opposes the Commenting Parties' recommendation regarding the CSP. It contends that the CSP is intended to provide general guidelines and operational and administrative assistance to those who seek to order collocation services pursuant to the tariff. Verizon Hawaii insists that the guidelines and operating practices and procedures must be

flexible to accommodate changes in the telecommunications industry. Thus, it states that it reserves the right, upon 30 days advance notice to competitors, to make amendments to the CSP. It further states that a CLEC can notify Verizon Hawaii if the CLEC believes that certain changes to the CSP materially and adversely discriminates against its existing rights under the collocation tariff. Verizon Hawaii also maintains that a CLEC may invoke dispute resolution procedures under its interconnection agreement if its concerns cannot be informally addressed.

Upon review, we find it unnecessary to require Verizon Hawaii to expressly set forth each requirement on competitors in the revised tariff, as recommended by the Commenting Parties. The Commenting Parties' specific concern with the CSP was that they were uncertain about procedures to protest unacceptable or burdensome standards in the event that they are adopted. We agree with Verizon Hawaii that a CLEC who finds that a change to the CSP is adverse to its rights under the tariff can directly address those concerns with Verizon Hawaii, and if the CLEC's concerns cannot be addressed informally, the CLEC can invoke the dispute resolution process pursuant to its interconnection agreement. Thus, we conclude that it is unnecessary to adopt the Commenting Parties recommendation regarding the CSP.

(c) *Security.* The Commenting Parties contend that Section 1.IV.J.2 (1<sup>st</sup> Revised Sheet 25) of the revised tariff allows Verizon Hawaii to enclose its equipment in security

partitions. The Commenting Parties argue that security partitioning breaks-up natural equipment lineups within the central office and can lead to inefficient use of central office space. Stating that the installation of security partitioning by Verizon Hawaii for its own equipment should not be allowed to prevent access to collocation space or significantly reduce the amount of space available for collocation, the Commenting Parties suggest that the revised tariff should prohibit Verizon Hawaii from installing any and all security partitioning that precludes or significantly impairs access to collocation space, or significantly reduces the amount of collocation space.

Verizon Hawaii opposes the Commenting Parties' suggestions, and construes them to be an "overreaching intrusion." Among other things, Verizon Hawaii contends that network security and reliability requirements are its main concerns. Verizon Hawaii states that there should be no requirement, as suggested by the Commenting Parties, to include language in the revised tariff restricting Verizon Hawaii's use of security partitionings. Verizon Hawaii supports its position by maintaining that the FCC in *ASO I* stated that ILECs "may take reasonable steps to protect its own equipment, such as enclosing the equipment in its own cage, and other reasonable security measures . . . ."<sup>14</sup> Verizon Hawaii represent that it will make every effort to design collocation arrangements to maximize the efficient use of available floor space. Additionally, it states

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<sup>14</sup>Reply at 7.

that under the ASO I, a CLEC denied space for collocation is allowed a tour of the ILEC's facility within ten days of its request to address space issues. Verizon Hawaii also contends that the proposed language would lead to disagreements due to the vagueness of the terms "significantly impairs" and "significantly reduces".

Based on our review, we find it unwarranted to require the inclusion of the language suggested by the Commenting Parties with regards to the security issues discussed above. Although the commission understands the Commenting Parties' concerns regarding efficient use of collocation space, we are also mindful of Verizon Hawaii's security concerns. Verizon Hawaii should be allowed to take reasonable steps, including enclosing its equipment in a cage, to protect its own equipment. Thus, we conclude that the Commenting Parties' suggestion regarding security partitionings should not be included in Verizon Hawaii's intrastate collocation tariff.

B. Transmittal No. 01-56

In tariff Transmittal No. 01-56, Verizon Hawaii made certain clarifications and revisions to various terms and conditions of its revised tariff, filed on November 22, 2000, in an effort to comply with *Advanced Services Order II*. Also, in light of ASO II, Verizon Hawaii included the terms, conditions, and rates for dedicated transit service (DTS) and other technically feasible cross-connect arrangements. Oceanic raised four specific concerns with regards to Transmittal No. 01-56, but



did not protest any other aspects of the filing, including those pertaining to DTS.<sup>15</sup>

Upon review of the record including, but not limited to, Verizon Hawaii's cost support for Transmittal No. 01-56, the commission finds Transmittal No. 01-56, aside from certain issues as addressed below, to be reasonable. Accordingly, we conclude that Transmittal No. 01-56 should be approved, subject to certain commission determinations, as set forth below.

1. Section 1.IV.G.2 (Original Sheets 16.1 and 16.2)

Pursuant to ASO II, Verizon Hawaii set forth new standards to determine whether a CLEC's equipment is "necessary" for interconnection or access to unbundled network elements under the federal law, proposed as Section 1.IV.G.2. Oceanic agrees with the new provisions, but contends that Verizon Hawaii did not include other provisions of the federal law to ensure that Verizon Hawaii's denial of a CLEC's physical collocation request is nondiscriminatory. Oceanic recommends that Verizon Hawaii be required to expand Section 1.IV.G.2 to track the federal provision from 47 C.F.R. § 51.323(c).

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<sup>15</sup>With regards to DTS rates and charges, there appears to be a mistake in Verizon Hawaii's proposal for "DSO Service Order, Semi-Mechanized, per order". The nonrecurring charge for this service in Verizon Hawaii's proposed tariff (2<sup>nd</sup> Revised Sheet 64) states the amount of \$22.28, rather than \$22.38. If this is an inadvertent mistake, Verizon Hawaii should make necessary corrections, as applicable, to any subsequent compliance filings of its intrastate collocation tariff with the concurrence of the parties; however, if this is not a mistake then this annotation should be ignored.

Verizon Hawaii contends that inclusion of this federal language is not necessary since: (1) a portion of the language to be inserted is covered in another part of the revised tariff; and (2) the process of denying collocation equipment for safety concerns is incorporated in its internal methods and procedures. Further, Verizon Hawaii states that its tariff need not include this and every FCC rule verbatim.

Upon review, it appears that Oceanic's recommendation will provide clarity with regards to a denial of a physical collocation request. While we agree that it is not necessary to include into the tariff all of the FCC's rules verbatim, as Verizon Hawaii contends, we do not find that inclusion of Oceanic's recommendation, in this instance, to be particularly onerous, in light of the clarification that such an amendment will provide. Thus, finding Oceanic's recommendation to be reasonable, we conclude that Verizon Hawaii's revised tariff should include Oceanic's recommendation to expand Section 1.IV.G.2, as set forth in Oceanic's Protest.

2. Section 1.IV.J.2 (2<sup>nd</sup> Revised Sheet 25)

Oceanic states that Verizon Hawaii's proposal in this section of the proposed tariff mirrors the requirements of 47 C.F.R. § 51.323(i)(5) and (6), as set forth in ASO II. Under this provision, Verizon Hawaii may require the construction of a separate entrance into its facilities when, among other things, the construction of the separate entrance does not "materially increase" the CLEC's costs. However, Oceanic

contends that the tariff provision does not provide a standard to determine what is material or a dispute resolution process to resolve disagreements with regards to this matter. Thus, Oceanic recommends that upon a Verizon Hawaii proposal to require the construction of a separate entrance, Verizon Hawaii be required to demonstrate to the commission that such a requirement would not materially increase the CLEC's costs.

With regards to this concern, Verizon Hawaii states that it is not normal practice to define "material", as Oceanic recommends, and that when it files a tariff to recover the costs of the construction of a separate entrance, any party can file a protest to demonstrate to the commission that its costs have materially increased. Verizon Hawaii also contends that under *ASO II*, a CLEC may challenge a separate entrance requirement with the commission if the CLEC believes that such a requirement is unjust, unreasonable, discriminatory, or violates any state or federal laws. Thus, it maintains that the burden to demonstrate that the cost increase for a separate entrance would be "material" is on the CLEC rather than Verizon Hawaii.

Based on the proffered arguments, we find it unnecessary to adopt Oceanic's recommendation with regards to this portion of the revised tariff as reflected in Transmittal No. 01-56. Pursuant to commission and FCC rules, a CLEC has the opportunity to file a protest with the commission if Verizon Hawaii's requirement for a separate entrance: (1) will materially increase the costs; and/or (2) is considered to be unjust, unreasonable, discriminatory, or in violation of

federal or state laws. It appears that the CLEC has the burden to demonstrate that a separate entrance requirement would materially increase collocation costs. Accordingly, we conclude that Oceanic's recommendation with regards to Section 1.IV.J.2, as set for in its Protest, should not be adopted.

### 3. Section 1.V

Oceanic contends that the FCC adopted a new provision, 47 C.F.R § 51.323(f)(7), to require ILECs to adhere to certain policies and practices with regards to the assignment of collocation space. Oceanic recommends that the language of 47 C.F.R § 51.323(f)(7) be explicitly set forth in the collocation tariff to make certain that the goals of: (1) ensuring collocation space assignments are just, reasonable, and nondiscriminatory, and (2) limiting disputes with regards to the appropriateness of collocation assignments are carried out. It further recommends that Verizon Hawaii be required to show that any revised policies and practices with regards to Verizon Hawaii space assignment provisions will not materially increase a requesting CLEC's collocation costs in accordance with the requirements 47 C.F.R § 51.323(f)(7)(A).

Verizon Hawaii maintains that Oceanic's recommendations with regards to the provisions of Section 1.V of its proposed revised tariff are unnecessary. Verizon Hawaii states that language from 47 C.F.R § 51.323(f)(7) need not be incorporated in Section 1.V since such language is already present in Section 1.IV.F.2 of the revised tariff proposal.

Additionally, Verizon Hawaii contends that Oceanic's recommendation to require it to show that any future revised policies and practices governing space assignments will not materially increase a CLEC's collocation costs is also not needed since Verizon Hawaii is required to file any future tariff revisions with the commission, providing all parties the opportunity to file comments and protests on this regard. Furthermore, it states that the commission's review of any proposed revisions will include consistency with the FCC's rules, including that of 47 C.F.R § 51.323(f)(7).

Upon review, we find it unnecessary to adopt Oceanic's recommendations with regards to Section 1.V of Verizon Hawaii's revised tariff as reflected in Transmittal No. 01-56. As Verizon Hawaii contends, the language of 47 C.F.R § 51.323(f)(7) is currently reflected in Section 1.IV.F.2 of Verizon Hawaii's revised tariff proposal.<sup>16</sup> Furthermore, any proposed revisions to Verizon Hawaii's tariffs are required to be filed with the commission. At such time, pursuant to commission rules, any interested party is allowed to file a protest with regards to any concerns, including those expressed in Oceanic's Protest. Additionally, the commission's review of any proposed changes will naturally include consideration of federal rules for consistency. Thus, we conclude that Oceanic's recommendation to include certain language to Section 1.V, as proposed in its Protest, should not be adopted.

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<sup>16</sup>Transmittal No. 01-56 at 2<sup>nd</sup> Revised Sheet 16.

4. Section 1.XIII.A.39 (2<sup>nd</sup> Revised Sheet 50)

Oceanic claims that while Verizon Hawaii revised the requirements of Section 1.V.E to conform with new ASO II requirements, specifically 47 C.F.R. § 51.321(h), Verizon Hawaii did not revise Section 1.XIII.A.39, describing the non-recurring Collocation Space Report cost element to conform with the revised tariff provision of Section 1.V.E or the requirements of 47 C.F.R. § 51.321(h). Thus, Oceanic recommends that Verizon Hawaii be required to revise Section 1.XIII.A.39 either to: (1) specify the same content requirement as set forth in Section 1.V.E, or (2) refer to that tariff provision.

In its Transmittal Reply, Verizon Hawaii does not oppose Oceanic's recommendation with regards to Section 1.XIII.A.39 of its proposed revised tariff. In an effort to avoid redundancy, Verizon Hawaii states that it will revise Section 1.XIII.A.39 to set forth that this nonrecurring charge covers the Collocation Space Report described in Section 1.V.E.

Upon review, we find Oceanic's recommendation with regards to Section 1.XIII.A.39 to be reasonable, due, in part, to Verizon Hawaii's agreement to Oceanic's recommendation. Accordingly, we conclude that Verizon Hawaii should revise Section 1.XIII.A.39 in the manner specified in its Transmittal Reply.

III.

Based on our careful review of the record including, but not limited to: (1) the revised tariff; (2) the Comments and

Reply; and (3) Transmittal Nos. 01-56 and 01-59 and related filings (i.e., cost studies, Protest, and Transmittal Reply), we find that our decisions regarding Verizon Hawaii's intrastate collocation tariff, including the determinations and amendments hereto, as set forth above, are just, reasonable, and nondiscriminatory. Thus, we conclude that Verizon Hawaii's physical collocation tariff should incorporate the determinations and amendments set forth in section II of this order. Within 30 days from the date of this order, Verizon Hawaii shall file a compliance tariff transmittal incorporating the commission's various determinations with regards to its intrastate collocation tariff, set forth in section II of this order, with an effective date of 45 days from the date of the filing of the compliance tariff transmittal.

#### IV.

##### THE COMMISSION ORDERS:

1. Transmittal No. 01-59 and various portions of Transmittal No. 01-56, as specified in section II of this order, are approved.

2. Various concerns raised in the Comments and Protest, not addressed in the transmittals, are resolved, as specified in section II of this order.

3. Within 30 days from the date of this order, Verizon Hawaii and interested parties shall submit stipulated rates for the provisioning of DC power and backup DC power for adjacent on-site collocation arrangements for commission review

and approval. If Verizon Hawaii and interested parties are unable to stipulate to such an agreement, then they each shall provide proposed rates for the provisioning of DC power and backup DC power, along with detailed justifications for their respective proposals. Upon the commission's determination of this matter, Verizon Hawaii shall have the option of filing revised sheets, as appropriate, or re-file the full tariff, within 15 days of the date of the commission's order addressing this matter.

4. Within 30 days from the date of this order, Verizon Hawaii shall file a compliance tariff transmittal incorporating the commission's various determinations with regards to its intrastate collocation tariff, as set forth in section II of this order, with an effective date of 45 days from the date of the filing of the compliance tariff transmittal.<sup>17</sup>

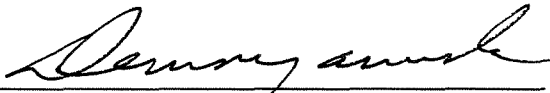
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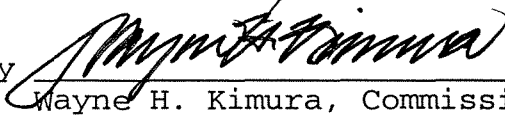
<sup>17</sup>The compliance tariff transmittal should include Verizon Hawaii's shared caged collocation arrangement approved in Order No. 19405, filed on June 7, 2002.



DONE at Honolulu, Hawaii the 3rd day of July, 2002.

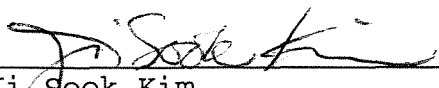
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

By   
Dennis R. Yamada, Chairman

By   
Wayne H. Kimura, Commissioner

By (EXCUSED)  
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

  
Ji Sook Kim  
Commission Counsel

7702.eh

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 19451 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

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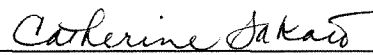
(Certificate of Service - Continued)

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\_\_\_\_\_  
Catherine Sakato

DATED: July 3, 2002